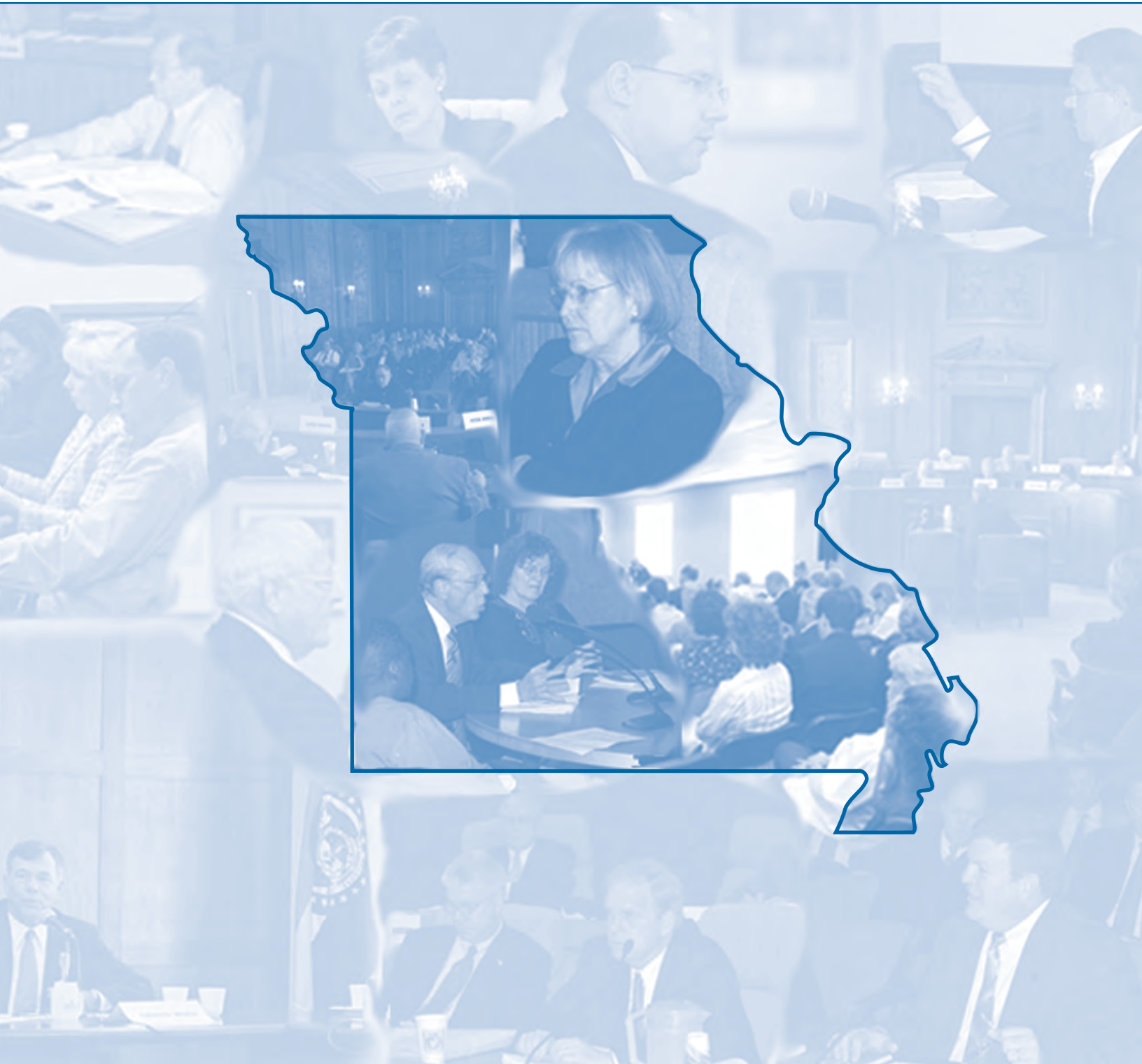


# Report and Recommendations of the 2005 Missouri State Government Review Commission



November 2005

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# Acknowledgements

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**Matt Blunt**  
Governor



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Co-Chairs

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**Cathy Dean**  
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November 23, 2005

The Honorable Matt Blunt  
Governor of Missouri  
State Capitol  
Jefferson City, Missouri 65101

Dear Governor Blunt:

As charged by Executive Order 05-05 creating and establishing the 2005 Missouri State Government Review Commission, we do hereby submit to you the Commission's Report and Recommendations as considered and approved by a majority vote of the Commission. This report includes recommendations for how inefficiencies in state government can be addressed, costs cut, service improved, functions consolidated and duplicity reduced as called for by your Executive Order.

In an effort to provide the public with substantial opportunity to participate in the Commission's proceedings and to provide public transparency to the Commission's deliberations, the Commission adopted a procedural schedule that convened fifty-nine public meetings, including twelve public hearings where 233 individuals gave forty-five hours of oral testimony and submitted 1,977 pages of written testimony. The Commission received 292 letters and e-mails from government agencies and the public, and considered 563 specific proposals. The result of this process is the report presented to you today, which includes eighty-four final recommendations.

On behalf of the Commissioners who made up the Missouri State Government Review Commission, we submit this report to you and to the Missouri General Assembly for your review and consideration. The members of the Commission and its staff were very deliberate, considered all of the proposals that came before the commission from the public, and produced this report, which we believe will assist you and the General Assembly as you consider these opportunities to restructure, retool, reduce, consolidate, or eliminate state government functions in accordance with what will result in the best and most cost-effective service for Missouri citizens.

Thank you for the honor of being appointed as Co-chairs of the Commission and please let us know if we or other members of the Commission can be of additional assistance to you as you consider these recommendations.

Sincerely,

A handwritten signature in black ink that reads "Stephen Bradford".

Stephen Bradford  
Commission Co-Chair

A handwritten signature in black ink that reads "Warren Erdman".

Warren Erdman  
Commission Co-Chair

# 2005 Missouri State Government Review Commission

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*Lieutenant Governor, State of Missouri, Jefferson City*

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**Charles McClain**

*President Emeritus, Jefferson College, Truman State University, Columbia*

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*Owner, Modern Litho, Jefferson City*

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**Dalton Wright**

*President, Lebanon Publishing Company, Lebanon*



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# CHAPTER 1.

## Understanding the Process

### Introduction

In January 2005, Governor Matt Blunt created, by Executive Order 05-05, the 2005 Missouri State Government Review Commission. Noting that a comprehensive review of state government functions had not occurred in over 30 years, the Governor charged the Commission "...with the task of reviewing every Executive Department within our state government to identify opportunities to restructure, retool, reduce, consolidate, or eliminate state government functions in accordance with what will result in the best and most cost-effective service for Missouri citizens."

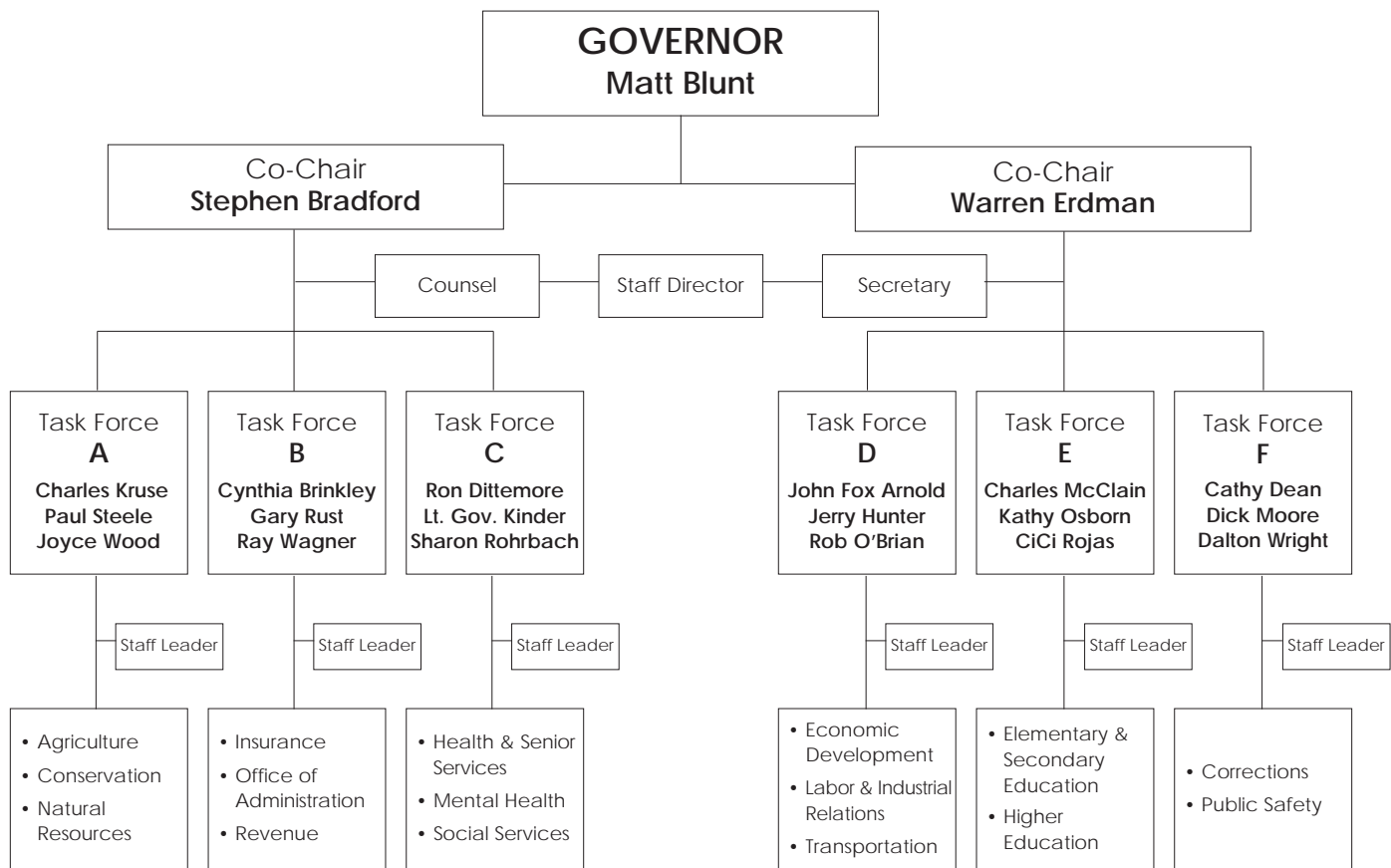
This report represents the work of individuals who considered proposed changes to improve state government suggested by elected officials, government experts and the public. This chapter describes the process followed in arriving at the Commission's recommendations.

### Commission Organization

The Governor appointed 20 individuals from every region of the state to serve on the Commission. Its members possess a broad range of experience covering the fields of education, economic development, health, mental health, transportation, social services, and the law. Two of its members

are in the newspaper business. Several members serve or have served in Missouri state government, including the current Lieutenant Governor and former directors of the Departments of Agriculture, Corrections, Higher Education, Labor and Industrial Relations, and Revenue and a former Commissioner of Administration. Two of its members served on the staffs of former Governors. Two of its members served in the General Assembly. One member served on the last state government reorganization a generation ago.

In order to organize its efforts and maximize its resources, the Commission was divided into six groups—Task Forces A through F—according to the experience of its members. The 16 state departments were divided among these task forces according to their missions. Commission Co-Chair Stephen Bradford chaired Task Forces A, B, and C. Commission Co-Chair Warren Erdman chaired Task Forces D, E, and F. Each task force had four members including the Commission Co-Chair assigned to it. A staff director, counsel, secretary, and six task force staff leaders were assigned to support these efforts. The following organization chart shows Commission assignments and responsibilities.



## Procedural Outline and Schedule

At its organizational meeting on March 8, 2005, the Commission set a schedule of state departmental presentations and public hearings in order to understand and assess the quality of Missouri state government. The assessment occurred in a series of meetings and public hearings held throughout the state over a six-month period. The Commission schedule is outlined below.

### I. Departmental Budget and Organization Presentations by Department Directors and the University of Missouri to Commission Task Forces

April 1, 2005, Senate Committee Room #2, State Capitol

#### Task Force B

- Office of Administration
- Revenue
- Insurance

#### Task Force F

- Public Safety
- Corrections

April 11, 2005, House Hearing Room #1, State Capitol

#### Task Force C

- Social Services

- Health and Senior Services
- Mental Health

#### Task Force E

- Elementary and Secondary Education
- Higher Education
- University of Missouri

April 15, 2005, Senate Committee Room #1, State Capitol

#### Task Force A

- Conservation
- Natural Resources
- Agriculture

#### Task Force D

- Economic Development
- Labor and Industrial Relations
- Transportation

### II. Public Testimony at Jefferson City Task Force Hearings

April 22, 2005, Senate Lounge, State Capitol

#### Task Force A

- Conservation
- Natural Resources
- Agriculture

#### Task Force D

- Economic Development
- Labor and Industrial Relations
- Transportation

April 29, 2005, Senate Committee Room #1,  
State Capitol

#### Task Force B

- Office of Administration
- Revenue
- Insurance

#### Task Force F

- Public Safety
- Corrections

June 24, 2005, Anita B. Gorman Conservation  
Discovery Center, Kansas City

July 15, 2005, Missouri State University, Springfield

July 22, 2005, Southeast Missouri State University,  
Cape Girardeau

July 29, 2005, Truman State University, Kirksville

#### IV. Task Force Consideration of Report Recommendations – August 2005

#### V. Full-Commission Consideration of Report Recommendations – September-October 2005

#### VI. Full-Commission Issuance of Report to the Governor – November 2005



*Commission Co-Chair Stephen Bradford*



*Commission Co-Chair Warren Erdman*

May 20, 2005, Senate Lounge, State Capitol

#### Task Force C

- Social Services
- Health and Senior Services
- Mental Health

#### Task Force E

- Elementary and Secondary Education
- Higher Education

#### III. Public Testimony at Regional Full-Commission Hearings (Testimony on All Government Functions)

June 17, 2005, University of Missouri-St. Louis

June 24, 2005, Missouri Western State College,  
St. Joseph

**B**y the end of the process, the Commission had convened 59 public meetings, including twelve public hearings where 233 individuals gave 45 hours of oral testimony and submitted 1,977 pages of written testimony. In total, 42 task force meetings were held, 17 of which were sessions with state departments and the University of Missouri on budgets and organizational structures. Ultimately, the Commission heard and considered 563 proposals. Its deliberations resulted in the 84 final recommendations presented in the following chapters of this report.





## CHAPTER 2.

### Recommendations for the Creation of Interdepartmental Coordination Councils

#### Background

In receiving testimony from all of the departments of state government and from the public at large, it has become clear to the Commission that there are several vital missions of state government that are vested within a single department, but require coordination of several departments for the mission to be successfully delivered to the people of Missouri. These interdepartmental missions are most successful when cooperation and communication across departmental lines are achieved and bureaucratic silos are leveled.

Toward giving focus to the successful delivery of these interdepartmental missions, the Commission asked all departments to list the missions that they are charged with achieving, which require cooperation across departmental lines. The Commission recommends that the Governor explore establishing, by Executive Order, certain Interdepartmental Coordination Councils comprised of existing senior staff from the departments of state government to provide interdepartmental coordination, communication, and efficiency in the effective delivery of these vital services to Missourians.

No new resources are deemed necessary to support these Coordination Councils; rather, better interdepartmental coordination of existing departmental resources would better focus state agencies on measurable, results-oriented service delivery. Each Interdepartmental Coordination Council should be charged with developing specific, quantifiable objective performance standards which would accurately reflect the successful delivery of the stated mission that it is charged with coordinating. These objective performance standards should be reported to the Governor and each Coordination Council should measure its success and progress against such performance standards.

The Commission is aware that the University of Missouri has provided valuable assistance to the Missouri Department of Corrections in developing such objective performance standards for its service delivery and recommends that each Coordination Council consult with the University about obtaining its assistance in developing objective performance standards for each of the Interdepartmental Coordination Council's mission. The Missouri Department of Transportation has a similar approach with its mission critical Tracker

system, which establishes specific performance measurements against which managers are held accountable. This model and the one used by the Department of Corrections should be examined for use by each of the Interdepartmental Coordination Councils recommended below.

**Recommendation #1:** Create an Interdepartmental Coordination Council for Job Creation and Economic Growth led by the Department of Economic Development including members designated by the directors of the Departments of Agriculture, Conservation, Economic Development, Elementary and Secondary Education, Higher Education, Labor and Industrial Relations, Natural Resources, Revenue, and Transportation to better coordinate the state's efforts for job creation and economic growth including:

- promotion of business development and marketing of Missouri products and services nationally and internationally
- education of Missouri's workforce to meet the needs of employers through skills education, customized training, and workforce development
- advertising
- use of tax credits and other economic incentives
- economic development related transportation projects
- one-stop-shop, electronic filing of all necessary state government required information for new or expanding businesses, especially small businesses, to ease the paperwork burden on new or expanding businesses in Missouri

**Recommendation #2:** Create an Interdepartmental Coordination Council for Lifetime Learning led by the Department of Higher Education including members designated by the directors of the Departments of Corrections, Economic Development, Elementary and Secondary Education, Health and Senior Services, Higher Education, Labor and Industrial Relations, Mental Health, and Social Services to better coordinate the state's efforts to provide a stable continuum of learning pre-kindergarten through post-secondary education including:

- curriculum, mission, budget, and educator certification for elementary and secondary education and higher education

- pre-school, early childhood education, and children's issues
- education for disabled Missourians and children with emotional disorders
- education for Missourians in correctional and youth services facilities
- vocational and workplace skills education
- post-secondary education preparation
- education as part of the state's economic development

**Recommendation #3:** Create an Interdepartmental Coordination Council for Information Technology and Customer Service led by the Office of Administration including members designated by the directors of all departments of state government to better coordinate and update the state's use of information technology for better customer service to the users of state services, and equipment acquisition and utilization.

**Recommendation #4:** Create an Interdepartmental Coordination Council for Laboratory Services and Utilization led by the Department of Health and Senior Services including members

designated by the directors of the Departments of Agriculture, Conservation, Health and Senior Services, Natural Resources, Public Safety, and the University of Missouri to better coordinate the state's laboratory services and utilization of laboratory facilities for:

- environmental health risk assessment
- environmental emergency response

**Recommendation #5:** Create an Interdepartmental Coordination Council for Water Quality led by the Department of Natural Resources including members designated by the directors of the Departments of Agriculture, Conservation, Economic Development, Health and Senior Services, Natural Resources, Public Safety, and Transportation to better coordinate the state's water protection and water resources including:

- water resource protection, monitoring, and improvement
- clean water, drinking water safety, and homeland security of Missouri's drinking water supply
- wastewater and runoff
- well construction and design



*Commission public hearing in Kirksville*

- flood and drought management
- interstate river issues
- dam safety
- overall state water planning

**Recommendation #6:** Create an Interdepartmental Coordination Council for Healthy Children led by the Department of Social Services including members designated by the directors of the Departments of Economic Development, Elementary and Secondary Education, Health and Senior Services, Mental Health, Revenue, and Social Services to better coordinate the state's efforts to:

- assure access to health care for children while reducing the number of uninsured
- prevent and respond to child abuse and neglect
- provide effective youth rehabilitation services
- collect and distribute child support payments
- prepare Missouri's children to enter school ready to learn

**Recommendation #7:** Create an Interdepartmental Coordination Council for Rural Affairs led by the Department of Agriculture including members designated by the directors of all departments of state government and a member representing the University of Missouri Extension to better coordinate the state's efforts to:

- address the unique interests and needs of rural Missouri
- effectively provide state government services in rural Missouri
- coordinate the state's soil and water conservation programs
- coordinate rural transportation planning and projects

**Recommendation #8:** Create an Interdepartmental Coordination Council for State Service Delivery Efficiency led by the Office of Administration including members designated by the directors of all departments of state government to pursue

efficiencies through privatization of the delivery of state services, to reexamine the 2004 recommendations of the legislative Subcommittee on Competition and Privatization, to establish state government-wide criteria for when privatization of state service delivery should be considered by the departments of state government, and to establish an ongoing system for collecting feedback from Missourians on the quality of state services delivered to them.

**Recommendation #9:** Create an Interdepartmental Coordination Council for State Employee Career Opportunity led by the Office of Administration and supported by the State Personnel Advisory Board including members designated by the directors of all departments of state government to review the state's current Merit System for state employees, to review its effectiveness in today's world, and to make recommendations to the Governor and General Assembly to reform the system to meet the demands of today's workplace and management of state government.

**Recommendation #10:** Create an Interdepartmental Coordination Council for State Mental Health Services to be led by the Department of Mental Health including members designated by the directors of the departments responsible for corrections, juvenile justice, foster care, children's division, and school systems to coordinate mental health care where services are delivered and to eliminate redundancies in the provision of mental health and behavioral services to children, adults, and families.

**Recommendation #11:** Create an Interdepartmental Coordination Council for Offender Re-entry to be led by the Department of Corrections including members designated by the Directors of the Departments of Economic Development, Elementary and Secondary Education, Health and Senior Services, Mental Health, Social Services, and the Office of the State Courts Administrator to continue to improve the offender re-entry process. These efforts should be made in collaboration with law enforcement agencies, the Federal government, and partners in the community.

# CHAPTER 3.

## Recommendations Related to Agriculture, Conservation, and Natural Resources

**Recommendation #12:** Transfer the State Milk Board into a unit of the Animal Health Division of the Department of Agriculture. Also transfer the rating function currently performed by the Department of Health and Senior Services to the reconfigured Milk Regulatory Unit within the Department of Agriculture.

**Justification:** Placing the regulatory function, now performed by the Milk Board, and the rating function, now performed by the Department of Health and Senior Services, in the same unit of the Animal Health Division while maintaining them as separate functions with separate staffs will ensure the integrity of both functions. These changes will ensure greater administrative efficiency within the Department of Agriculture and the continued success of this important government function.

**Implementation:** Statutory changes and an Executive Order will be required.

**Recommendation #13:** Add the director of the Department of Natural Resources to the Missouri Development Finance Board.

**Justification:** The Department of Natural Resources is instrumental to the state's economic development efforts in many ways, including its work with infrastructure development, historical preservation, and energy conservation. The

directors of the Departments of Agriculture and Economic Development currently serve on this important board.

**Implementation:** Statutory changes and an Executive Order will be required.

**Recommendation #14:** The Department of Agriculture should give increased emphasis to the following: a) agricultural business development services, b) the strengthening of animal health services, c) the strengthening of agricultural export services for Missouri's food and fiber industries, and d) the development of new programs to assist youth and beginning farmers.

**Justification:** Generally speaking, all of these areas of emphasis are part of laying the ground-work for long-term agricultural prosperity in Missouri.

**Implementation:** Department initiative

**Recommendation #15:** The Department of Agriculture should continue to explore public/private partnerships to enhance department programs and services.

**Justification:** Without such public/private partnerships, current agricultural services and programs may become unsustainable.

**Implementation:** Department initiative



*Department of Natural Resources Director Doyle Childers makes a presentation to Commission Task Force A on the department's organization and budget.*



## CHAPTER 4.

### Recommendations Related to Administration, Insurance, and Revenue

**Recommendation #16:** Change the organizations statutorily created as “Type II” and “Type III” transfers in the Reorganization Act of 1974 to “Type I” transfers, with the exceptions of the State Lottery Commission, Gaming Commission, Veterans Commission, and the constitutionally created Highways and Transportation Commission and Conservation Commission.

**Justification:** Strengthening the level of direct control of all organizations would make state government more directly accountable to the Governor and the people. When organizations were transferred to the new structure defined by the reorganization act, they were done so by “types” that determined the degree of control the department to which they were assigned could exercise. Type I transfer organizations are subject to the highest level of control. They are integrated into the department and must adhere to the rules, policy decisions, etc. of the department. Type II transfer organizations are subject to limited control by the department regarding budget, personnel matters, and space, but are not subject to control over policies or regulatory functions. Departments have the least control over Type III transfer organizations, which is limited to budgeting and reporting. Organizations that are not designated as

any specific transfer type are assumed to fall under the level of control defined by a Type I transfer.

**Implementation:** Statutory changes will be required.

**Recommendation #17:** The Office of Administration should conduct a feasibility study to determine whether or not a consolidated health care administration plan should be pursued.

**Justification:** The movement of agency and higher education health insurance plans into a new Division of Health Care Administration within the Office of Administration would appear to be a logical approach for cost effective health care delivery. Historically, it has been difficult to get consistent information from departments regarding the various health care plans. The health care shift involves: the Department of Transportation’s health care plan, including the Missouri State Highway Patrol; the Missouri Consolidated Health Care Plan; Higher Education institutions’ health care programs; and the Department of Conservation’s health care plan.

**Implementation:** Department initiative

**Recommendation #18:** The Commissioner of Administration should convene a committee that

includes members from the Governor's Office, House and Senate leadership and appropriations/budget committee chairs, and the Office of Administration, to consider creative, innovative revisions to the budgetary process to reward agencies that are efficient stewards of state citizens' resources by protecting unspent portions of their appropriations.

**Justification:** Within state government, departments' appropriated funds not spent by the end of the fiscal year are lost. With the tendency of a General Assembly to cut the following year's appropriation level for an agency that did not spend all that it was appropriated in a fiscal year, the result is the "use it or lose it" philosophy. To avoid a loss of funding authority, departments may "look" for items on which to spend remaining funds, rather than let the moneys lapse. This practice creates a disincentive for thrift. A plan should be devised for all, or a percentage, of unspent funds to be "banked" and to be drawn on in a following year at the agency's discretion. In any event, to improve fiscal efficiency, effectively managed appropriations should be protected from legislative cuts in subsequent years. The committee should review the existing employee suggestion system, Missouri Relies on Everyone, for a possible tie-in to reward specific employees for saving costs. The Missouri Relies on Everyone program currently provides a way to identify, recognize, and reward the ingenuity and commitment to excellence of state employees for their suggestions. Based on an established point system, the Missouri Relies on Everyone review team can reward employees for their suggestions with a cash award of up to \$300.00.

**Implementation:** Department initiative

**Recommendation #19:** Transfer the regulation of licensing bail bond and surety recovery agents from the Department of Insurance to the Department of Public Safety.

**Justification:** These agents would be better regulated by an agency with police powers. Licensees must undergo basic training and are for practical purposes officers of the court, for which Department of Insurance has no regulatory authority other than administrative.

**Implementation:** Statutory changes will be required.

**Recommendation #20:** Transfer the collection of surplus lines tax from the Department of Insurance to the Department of Revenue.

**Justification:** It would be more efficient to have companies remit surplus lines taxes directly to the Department of Revenue because it would eliminate the transmittal of taxes from the Department of Insurance. The Department of Insurance administers both the premium and surplus lines tax system. However, premium

taxes are remitted by companies directly to the Department of Revenue and surplus lines taxes are remitted by companies to the Department of Insurance, which then transmits them to the Department of Revenue.

**Implementation:** Statutory changes will be required.

**Recommendation #21:** Transfer the review of unclaimed property reports submitted to the State Treasurer's Office by insurance companies from the Department of Insurance to the State Treasurer's Office.

**Justification:** It would be more efficient for the Office of State Treasurer, who administers the Unclaimed Property Division, to review the unclaimed property reports submitted to them by insurance companies rather than send the reports to the Department of Insurance for review. Enforcement powers relating to unclaimed property rest with the Office of the State Treasurer.

**Implementation:** Elected Official initiative

**Recommendation #22:** Transfer the following administrative disbursement appropriations from the Office of Administration to the department responsible for the programs for which the disbursements relate.

Appropriation Name	Transfer "To"
Costs in Criminal Cases	Department of Corrections
Clarence Cannon Dam	Department of Natural Resources
Juvenile Court Personnel	Office of State Courts Administrator
Public TV/Radio Support	Department of Economic Development
Regional Planning Commissions	Department of Economic Development

**Justification:** It would be more efficient to place the responsibility for the distribution of funds relating to a particular program in a department whose mission is either directly or closely tied to the program. The applicable department is in a better position to advocate for the program during budget hearings, respond to fiscal notes relating to the program, and answer distribution recipients' questions.

**Implementation:** Department(s) initiative and statutory changes will be required.

**Recommendation #23:** Appoint a legislative committee to review and address simplifying the Missouri Tax Code.

**Justification:** A number of persons testifying before the Commission, both from department presentations and public hearings, stated that the

tax code is outdated, inequitable, unsustainable, and too complex. A project of this magnitude is outside the scope of this Commission, but could be addressed by the Joint Committee on Tax Policy.

**Implementation:** Legislative action will be required.

**Recommendation #24:** Prepare on a biennial cycle, rather than an annual cycle, the state's operating budget.

**Justification:** A biennial budget cycle has a number of advantages, as reported in a National Conference of State Legislatures report by Ronald K. Snell, October 2004. Twenty-one states currently use some form of biennial budgeting including Arizona, Texas, Ohio, North Carolina, and Arkansas. The 2004 California Governor's Performance Review Committee's recommendations included the suggestion that California convert to a biennial budget. Biennial budgets save costs of preparing budgets, free staff time to concentrate on policy matters in off-years, and require an emphasis on long-term planning.

**Implementation:** Constitutional and statutory changes will be required.

**Recommendation #25:** Increase the dollar threshold for public advertising of construction projects from \$25,000 to \$100,000 and remove the requirement of including any daily newspapers in the state which have more than a fifty thousand daily circulation.

**Justification:** This advertising requirement adds a significant amount to the cost of every state construction project estimated to exceed a cost of \$25,000 without providing a significant number of additional bidders. According to public testimony from the Associate Vice President for Administrative Services at Missouri State University, most bidders for projects are from the region in which the project is being built. There are only three newspapers in Missouri which have a daily circulation equal to 50,000 and testimony indicated that the cost to advertise in those papers does not generate any significant benefit in terms of successful bidders for projects outside of those areas. With the capabilities to distribute information electronically through web sites, e-mail, etc., potential bidders from around the state now have the ability to access information in ways other than newspapers at a much lower cost to the state. No change is proposed to the requirement that advertising appear in a daily newspaper in the county where the work is located or at least twice over a period of ten days or more in a newspaper in the county where the work is located.

**Implementation:** Statutory changes will be required.

**Recommendation #26:** The state's Chief Information Officer, as part of the process proposed for the Interdepartmental Coordination Council for Information Technology and Customer Service, should develop a five-year Information Technology Project Plan including estimated costs, estimated savings, and implementation dates. This plan should address a number of technology issues in the state including the following items:

- Increased use of electronic filing systems, electronic funds transfers for payments, document imaging, wireless hardware, updated office equipment, and enhanced websites
- Conversion of the many Department of Revenue legacy systems to web-enabled functionality
- Consolidation of tax credit administration into one system
- Development of a system to improve the identification of uninsured motorists
- Coordination with political subdivisions on projects that benefit the state and its citizens, e.g., county personal property tax payment availability for motor vehicle registration renewals

**Justification:** The investment of funds in the development of technological advancements can improve the delivery of services to citizens, reduce costs, and result in processing efficiencies. It is important that the Information Technology Services Division develop and publish an IT long-range plan, setting priorities and implementation dates.

**Implementation:** Department initiative

**Recommendation #27:** Dissolve the State Tax Commission, moving the adjudicatory functions into the Missouri State Government Review Commission's recommended Administrative Hearing Commission and the remaining duties into the Department of Revenue.

**Justification:** Most state agencies have internal processes for handling appeals. Consolidation would separate the adjudicatory functions from the investigatory, prosecutorial, and policymaking functions of state agencies. Under the present structure, various state agencies are placed in the position of ruling on appeals of decisions made by their agency. Some agencies have backlogs in cases to be heard, while others use parttime or contract staff to deal with these cases.

Consolidating all hearings into a central panel will improve the distribution of the caseloads and provide more efficient resolution of appeals. Cost savings will be achieved through a more efficient allocation of equipment, space, and personnel resources for this purpose.

**Implementation:** Constitutional and statutory changes will be required.

**Recommendation #28:** The Missouri State Employees Retirement System should include the annual salary amount, in addition to the monthly salary amount, in the Personal Benefit Statement issued to state employees.

**Justification:** Providing the annual salary, in addition to the monthly salary amount, would provide more complete information to the personalized statement. The purpose of the statement is to provide a comprehensive look at state-sponsored benefits including salary, retirement, health care, vacation, social security, Medicare, deferred compensation, basic life

insurance, disability insurance, and minimum annual leave accrual. The statement is prepared by the Missouri State Employees Retirement System, in conjunction with the Office of Administration and benefit providers, and is mailed to an employee's home address.

**Implementation:** Department initiative

**Recommendation #29:** Executive departments should use the best resources available to create strategically planned, goal oriented, performance driven programs. These resources may include programs such as the Excellence in Missouri Foundation, whose services are provided to state agencies at no charge.

**Justification:** This would help generate performance excellence among all state departments and drive higher levels of quality in Missouri produced public services.

**Implementation:** Executive Order will be required.



# CHAPTER 5.

## Recommendations Related to Health and Senior Services, Mental Health, and Social Services



*Director Dorn Schuffman meets with Commission Task Force C to discuss government functions in the Department of Mental Health.*

**Recommendation #30:** Transfer the Missouri State Technical Assistance Team from the Department of Social Services to the Department of Public Safety.

**Justification:** The Missouri State Technical Assistance Team manages the Child Fatality Review Program and assists federal, state, and local agencies in child abuse investigations. The Child Fatality Review Program was the original mission of the Missouri State Technical Assistance Team and has become a model for the nation as a result of the multi-disciplinary approach of these teams. Investigators in the Missouri State Technical Assistance Team are certified law officers and work closely with all levels of the law enforcement community. It appears the investigators would be better able to fulfill their mission if they are moved to the Department of Public Safety from the Department of Social Services.

**Implementation:** Statutory changes will be required.

**Recommendation #31:** Transfer the First Steps Program from the Department of Elementary and Secondary Education to the Department of Health and Senior Services.

**Justification:** The First Steps Program is designed to address developmental delays and diagnosed conditions associated with developmental disabilities in children age birth to 3 years. The

significant health care concerns of these children may be better addressed by the Department of Health and Senior Services.

**Implementation:** Statutory changes and/or an Executive Order will be required.

**Recommendation #32:** Eliminate the Certificate of Need program in Missouri with the exception of hospitals and medical equipment.

**Justification:** The Certificate of Need program provides very little impediment for those seeking approval while eating up valuable time and resources. However, it provides benefits for the hospital industry as well as providing protection to rural areas by ensuring healthcare access not dedicated in urban areas.

**Implementation:** Statutory changes will be required.

**Recommendation #33:** Transfer the Breath Alcohol Program from the Department of Health and Senior Services to the Department of Transportation, Division of Highway Safety.

**Justification:** The Breath Alcohol Program should be more closely integrated into the training elements leading to the issuance of permits and be more closely aligned with the facilities that place new instruments and assure that repaired instruments function properly before being placed back into service. This would be facilitated by making this program part of the Division of Highway Safety that supports the Central Missouri State University Traffic Safety Center and the Missouri State Highway Patrol Training Academy, the two major facilities that are involved in training and equipping law enforcement for breath alcohol testing.

**Implementation:** Statutory and regulatory changes will be required.

**Recommendation #34:** Consolidate the private water supply functions from the Department of Health and Senior Services within the Department of Natural Resources.

**Justification:** The Department of Natural Resources has constitutional and statutory

authority over public drinking water programs. Consolidation of the private water supply functions performed by the Department of Health and Senior Services within the Department of Natural Resources will align water activities within one agency eliminating any potential confusion over regulatory authority and information contacts.

**Implementation:** Statutory changes will be required.

**Recommendation #35:** Consolidate on-site sewage treatment from the Department of Health and Senior Services within the Department of Natural Resources.

**Justification:** Regulation and complaint investigations concerning wastewater treatment are divided between the Department of Natural Resources and the Department of Health and Senior Services. Basically, the Department of Health and Senior Services has authority over on-site sewage treatment systems while the Department of Natural Resources has authority over public wastewater treatment systems. This is confusing to the public. Consolidating the functions into one department could provide easier access for citizens' complaint resolution and address regulatory issues.

**Implementation:** Statutory changes will be required.

**Recommendation #36:** Transfer the Governor's Council on Physical Fitness and Health from the Office of Administration to the Department of Health and Senior Services.

**Justification:** The Council's purpose is to promote physical fitness and health by implementing programs, fostering communication and cooperation, and developing statewide support for healthy living. Transferring the Council and its resources allows a consolidation and synergy for initiatives within the state designed to enhance physical activity and fitness. The Department of Health and Senior Services has lead responsibility for the soon-to-be-released Missouri Nutrition and Physical Activity Plan, as well as other federally funded initiatives to increase physical activity.

**Implementation:** Executive Order will be required.

**Recommendation #37:** Shift licensing responsibility for emergency medical technicians from the Department of Health and Senior Services to the Division of Professional Registration within the proposed Department of Financial Regulation and Professional Registration.

**Justification:** Emergency medical technicians are licensed by the Department of Health and Senior Services, while most health care professionals are licensed through the Board of Professional Registration. Licensure of emergency medical

technicians by the Department of Economic Development would fit well with that department's mission to license individuals. The Division of Professional Registration within the Department of Economic Development currently is responsible for licensure of chiropractors, dentists, nurses, occupational therapists, optometrists, pharmacists, pharmacy technicians and interns, physical therapists, physicians, physician assistants, podiatrists, speech therapists, and audiologists.

**Implementation:** Statutory and regulatory changes will be required.

**Recommendation #38:** Licensing of child care providers should be consolidated with other child care functions and licensure of residential facilities for adults should be consolidated under the Department of Health and Senior Services, Division of Regulation and Licensure.

**Justification:** The Department of Health and Senior Services licenses child care providers, but the Department of Social Services is responsible for determining parents' eligibility and subsidy payments. Consolidation of child care related functions in one agency must be considered. Child care licensing was combined with the Purchase of Child Care program in the Department of Social Services for many years before it was transferred to the Department of Health and Senior Services.

Currently, some residential facilities are required to be licensed by both the Department of Health and Senior Services and the Department of Mental Health. The Department of Health and Senior Services license is required if the operator is caring for three or more persons unrelated to the operator. The Department of Mental Health license is required if more than half of the residents require mental health services or if any resident is mentally retarded or developmentally disabled. While the two departments have attempted to blend their oversight so that the Department of Health and Senior Services focuses on the building and such things as food service and the Department of Mental Health focuses on the programmatic aspects, there is still overlap. Furthermore, the two departments do not always have the same standards or interpretation of standards. If all such facilities were under the Department of Health and Senior Services licensure, inspections to ensure proper oversight of the residents would include a review of the record of a mental health resident to ensure that he or she was receiving appropriate care and treatment.

**Implementation:** Statutory changes will be required.

**Recommendation #39:** Transfer the Department of Health and Senior Services' Bureau of Narcotics and Dangerous Drugs to the Department of Public Safety given the interface with the federal Drug Enforcement Administration.

**Justification:** Some would make the argument that the Bureau of Narcotics and Dangerous Drugs is duplicative of the federal Drug Enforcement Administration. Both require handlers of controlled substances to be registered. Both do investigations regarding controlled substances. The Bureau of Narcotics and Dangerous Drugs performs some teaching functions regarding the dangers of narcotics and dangerous drugs that should be required in the curricula taught by pharmacy schools and medical schools.

**Implementation:** Statutory and regulatory changes will be required.

**Recommendation #40:** Consolidate in the appropriate place state help and information lines; this recommendation excludes crisis hotlines.

**Justification:** The evaluation of helpline functions across state agencies to determine where consolidation of assistance efforts can occur, including restructuring to one service line as long as specific information is aggregated in accordance with regulatory guidelines. There are currently over 30 assistance lines operating in the Departments of Health and Senior Services, Mental Health, and Social Services. Consolidation of this resource function affords Missouri citizens a single entry of access to state services.

**Implementation:** Department initiative

**Recommendation #41:** The Department of Health and Senior Services should examine services provided by the Centers for Independent Living to determine areas that need additional oversight and look for administrative cost savings.

**Justification:** Savings may result from not having to pay the administrative cost of Centers for Independent Living. These savings could be used to provide an additional 8,000 to 10,000 disabled

persons services within current appropriated funds. Documentation provided by the Department of Health and Senior Services suggests the cost of delivering the same services to the same individuals through Centers for Independent Living is two times the cost of other community-based programs such as In-home Services.

**Implementation:** Department initiative

**Recommendation #42:** Re-examine the cost formula used to reimburse nursing homes.

**Justification:** The state should not be purchasing real estate (nursing homes) for private or not-for-profit owners/operators. This inflates the cost of long-term institutionalized care.

**Implementation:** Statutory changes will be required.

**Recommendation #43:** The Department of Health and Senior Services should develop a service contract that stipulates the services to be provided under a personal care services contract.

**Justification:** Personal care (Title XIX Medicaid) dollars are now provided in addition to cash payments. The

state does not require a contract stipulating what services are to be provided using personal care as is required by in-home providers. This coupled with a lack of oversight through monitoring contributes to abuse of Medicaid funding. The department should examine how personal care service dollars are spent by installing contract stipulations and requiring residential care facilities to report proof of services provided.

**Implementation:** Department initiative.

**Recommendation #44:** The executive branch of state government should implement a single point of entry process for senior services and pre-admission determination screenings to ascertain the services needed along the continuum of patient care offered in Missouri, with emphasis on serving the individual in the least restrictive environment.

**Justification:** The cost of institutionalized care for the elderly in nursing homes approximates \$40,000/patient/year, while similar care provided



*Commission Task Force C public hearing in the Capitol.*

in a home setting approximates \$4,000/patient/year.

A single point of entry at both the state and local level can provide comprehensive access, reduce duplication, and ensure the most cost-effective services are provided based on single assessment across services and providers. Services should be coordinated and authorized through a case management system using a uniform assessment tool for all aging services. This tool would simplify assessment and facilitate the development of a comprehensive database for program performance and need. A common electronic assessment tool would facilitate wise evaluation and resource allocations and assess need over all levels of community-based care.

**Implementation:** Review of statutory compliance with the Centers for Medicare and Medicaid Services requirements.

**Recommendation #45:** The Department of Health and Senior Services should examine outsourcing or privatizing case management services consistent with approvals from the Centers for Medicare and Medicaid Services.

**Justification:** Case management should be private rather than a state function, allowing the state to focus on oversight and adult protective services.

**Implementation:** Department initiative

**Recommendation #46:** The Department of Mental Health should undergo an external review and evaluation process to test the efficacy of its delivery systems and programs and the efficiency with which they are delivered. The external reviewers should be chosen by persons outside the department to achieve a process which is both transparent and accountable.

**Implementation:** Department initiative





## CHAPTER 6.

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### Recommendations Related to Economic Development, Labor and Industrial Relations, and Transportation

**Recommendation #47:** Create the Department of Financial Regulation and Professional Registration. The new department would include the current Department of Insurance, the Division of Finance, State Banking Board, State Savings & Loan Commission, Division of Credit Unions, Credit Union Commission, Residential Mortgage Broker Board, and Division of Professional Registration from the Department of Economic Development, and the Securities Division from the Office of the Secretary of State. Upon reorganization, the department director should review all boards and commissions to determine if any can or should be eliminated.

**Justification:** The Department of Economic Development is the lead agency for economic,

community, workforce, and tourism development. The financial regulatory and professional registration oversight functions currently assigned to the Department of Economic Development distract from its core mission of stimulating and supporting economic growth and opportunity in Missouri communities. A third-party professional economic development consulting team recently studied the Department of Economic Development and concluded that the department is engaged in too many diverse activities that do not necessarily relate to or complement the overall mission of economic development. Transferring the financial regulatory and professional registration responsibilities from

the Department of Economic Development will allow the department to be more efficient and better focused. In addition, the structure of the financial industry is changing. Proper regulation of this changing field requires the consolidation of banking, securities, and insurance regulation within one department. Thirteen states combine securities, banking, and insurance oversight into one department; two more combine securities and insurance into one; seven others combine securities and banking; and finally, an additional four combine insurance and banking into one department. Because financial services firms now practice in all three areas, combining these financial services responsibilities into one department makes sense administratively and as a matter of public policy. If Missouri combines the oversight of insurance, securities, and banking products into the same department, the state will be better able to provide oversight for the financial services industry because it will deal with each element of the financial services industry in a coherent and coordinated manner. Missouri will create a comprehensive approach to regulating financial services, products and transactions and the state will be better equipped to protect its citizens.

**Implementation:** Statutory changes will be required.

**Recommendation #48:** Support the internal reorganization of the Department of Economic Development into three areas: Economic Growth, Economic Regulation, and Workforce Development. Economic Growth would include a new Division of Business and Community Development created by merging the current Divisions of Business Development and Community Development. Within this new division would be an Office of Economic Growth which would include: Division of Tourism, Tourism Commission, Arts Council, Humanities Council, Hawthorn Foundation, MO Development Finance Board, MO Housing Development Commission, MO Seed Capital Investment Board, Small Business Fairness Board, and the MO Technology Corporation. Economic Regulation would include the Public Service Commission and the Office of Public Counsel. Workforce Development would remain unchanged from its current form.

**Justification:** The proposed reorganization will refine the focus of staff by creating results-driven units better able to provide coordinated and efficient service to business and communities. By combining the expertise of the current community development and business development staff, teams will focus on results-driven activities leading to improved job creation, job training, and

increased private investment and state/local revenues. The new Office of Economic Growth will be a conduit for increased cooperation among state, local, and private parties working to create greater economic opportunities for all Missourians.

**Implementation:** Statutory changes will be required.

**Recommendation #49:** Transfer the Customized Training Program from the Department of Elementary and Secondary Education to the Department of Economic Development.

**Justification:** The Department of Elementary and Secondary Education currently partners with the Department of Economic Development to provide customized training programs. Eligible employers access training for new or existing employees in a classroom setting. Assistance is provided for training costs such as curriculum development, instructional salaries, and training materials. Local education agencies, private vendors, or company personnel provide the training. Because the Department of Economic Development works closely with businesses seeking customized training, transferring the program to the Department of Economic Development would provide a stronger link between the businesses seeking assistance and the state agency providing the services. In addition, the transfer would consolidate more workforce training programs into the Division of Workforce Development, providing a more efficient delivery system.

**Implementation:** Statutory changes and/or Executive Order will be required.

**Recommendation #50:** Transfer the Governor's Commission on Hispanic Affairs from the Department of Economic Development to the Office of Administration and coordinate the Commission's economic and employment responsibilities with and designate it as an advisory body to the Office of Supplier and Workforce Diversity.

**Justification:** The Governor's Commission on Hispanic Affairs was established to serve as a statewide advisory body to the Governor and the General Assembly on issues related to the economic, social, and cultural needs of Hispanic Missourians. Because this Commission's mission encompasses much more than economic development issues, transferring it to the Office of Administration, which handles statewide issues, would be appropriate. In addition, the Governor recently created the Office of Supplier and Workforce Diversity that will be housed in the Office of Administration.

**Implementation:** Executive Order will be required.

**Recommendation #51:** Transfer the Missouri Women's Council from the Department of Economic Development to the Office of Administration and coordinate the Council's economic and employment responsibilities with and designate it as an advisory body to the Office of Workforce and Supplier Diversity. Following the transfer, the director of the Department of Economic Development should establish an advisory body to assist in efforts to grow women-owned businesses in the state.

**Justification:** The Missouri Women's Council is a fifteen member, bipartisan council charged with the mission of providing Missouri women with the information necessary to obtain economic and social parity. Initially, the Council was established to identify and address issues affecting the economic and employment status of women in Missouri. Over time, the mission was broadened and the Council now acts as a resource and referral center to connect women from all socioeconomic backgrounds with information ranging from employment and non-traditional programs, domestic violence and health issues, to entrepreneurship and advocacy. The Office of Administration has existing programs addressing women-owned businesses and also deals with statewide issues, therefore the Women's Council would be a better fit in the Office of Administration. In addition, the Governor recently created the Office of Supplier and Workforce Diversity that will be housed in the Office of Administration. The Department of Economic Development should, however, continue to maintain and improve efforts to increase the number of women-owned businesses in the state.

**Implementation:** Statutory changes will be required.

**Recommendation #52:** The Office of Administration should consolidate information, accounting, and auditing of state tax credit programs. (Responsibility for administration of the various state tax credit programs would not be transferred.)

**Justification:** One central agency should be responsible for the oversight of all state tax credit programs to assure the appropriate use of and accounting for the programs. Historically, information on state tax credit programs has been fragmented and incomplete and has not been

useful for budget and policy decision-making processes. Issuing agencies collect various types of information for each tax credit program but do not have a consistent method for auditing the programs. There is no entity responsible for accounting and auditing of all state tax credit programs.

**Implementation:** Statutory changes and/or an Executive Order will be required.



*Director of Economic Development Gregory Steinhoff meets with Commission Task Force D.*

**Recommendation #53:** Transfer oversight of the Regional Planning Commissions from the Office of Administration to the Department of Economic Development. After the transfer, the Economic Development Department Director should conduct a thorough review of the statutory duties assigned to the regional planning commissions to identify better methods of coordination and efficiency between the department

and the Regional Planning Commissions.

**Justification:** The Department of Economic Development has existing working relationships with the Regional Planning Commissions, while the Office of Administration has a limited relationship. Assigning oversight to the Department of Economic Development would facilitate a closer relationship between state government and local planning agencies and should provide better guidance to the Regional Planning Commissions on state issues. A comprehensive review of the Regional Planning Commissions conducted by the Department of Economic Development would be timely and would provide an opportunity to update the structure of such commissions and their coordination with the Department of Economic Development.

**Implementation:** Statutory changes and/or an Executive Order will be required.

**Recommendation #54:** The Director of the Department of Economic Development should initiate regular discussions between the Workforce Investment Boards and the Regional Planning Commissions to better coordinate their respective efforts on a regional basis.

**Justification:** The Department of Economic Development, the Workforce Investment Boards and the Regional Planning Commissions

should coordinate a more comprehensive and streamlined service delivery system for the state. Both Workforce Investment Boards and the Regional Planning Commissions provide regional services and conduct regional planning; however the two entities and the Department of Economic Development do not always collaborate. Workforce Investment Boards were established to plan and oversee state and local workforce development and job training programs within a defined region of the state. Regional Planning Commissions have a much broader focus, which includes workforce development and job training. The Regional Planning Commissioners are organized around geographic areas which do not coincide with the Workforce Investment Board areas.

**Implementation:** Statutory changes will be required.

**Recommendation #55:** The Director of Economic Development should examine utilizing the Small Business Regulatory Fairness Board as an agency to better coordinate efforts of state government with Small Business Administration programs at the federal level.

**Justification:** The Small Business Regulatory Fairness Board is a nine-member board established to address regulatory fairness for Missouri's small businesses. The Board's focus could be expanded to include issues related to providing a coordinated delivery system to help small businesses. This would be more beneficial to the businesses that find it difficult to navigate the various agencies providing assistance.

**Implementation:** Statutory changes will be required.

**Recommendation #56:** Consolidate all appeals of administrative decisions of the Executive Branch of State Government, except decisions of the Public Service Commission and the Division of Workers' Compensation, under an expanded Administrative Hearing Commission in the Office of Administration.

**Justification:** Currently, various state agencies have a variety of internal processes for handling appeals of administrative decisions. Consolidation would separate the adjudicatory functions from the investigatory, prosecutorial, and policymaking functions of state agencies. Some agencies have backlogs in cases to be heard, while others use part-time or contract staff to deal with these cases. Consolidating all hearings into one commission should improve the distribution of the caseloads and provide more efficient resolution of appeals.

**Implementation:** Statutory changes will be required.

**Recommendation #57:** Centralize investigations of all internal complaints of discrimination originating within state government in the Missouri Commission on Human Rights.

**Justification:** The Missouri Commission on Human Rights is an eleven-member commission established to enforce the Missouri Human Rights Act. The Commission is charged with preventing and eliminating discrimination through education, outreach, and enforcement. The Commission investigates and rules on complaints of discrimination. Currently, each state department receives and investigates complaints of discrimination within the department. Transferring that responsibility to the Missouri Commission on Human Rights would ensure that cases were investigated by a knowledgeable third party.

**Implementation:** Statutory changes will be required.

**Recommendation #58:** Centralize legal representation related to housing discrimination, employment discrimination, and public accommodation matters in the Missouri Commission on Human Rights.

**Justification:** The Missouri Commission on Human Rights is an eleven-member commission established to enforce the Missouri Human Rights Act. The Commission is charged with preventing and eliminating discrimination through education, outreach, and enforcement. The Commission investigates and rules on complaints of discrimination. Currently, the Commission is responsible for legal representation in cases of housing discrimination, while the Attorney General handles employment and public accommodation discrimination cases. Consolidating legal representation for these cases in the Missouri Commission on Human Rights would streamline the state's response to discrimination claims.

**Implementation:** Statutory changes will be required.

**Recommendation #59:** Combine the Missouri Workers' Safety Program and the On-site Safety and Health Consultation Program within the Department of Labor and Industrial Relations.

**Justification:** The Missouri Workers' Safety Program is responsible for certifying insurance carriers and self-insured's safety programs, certifying safety consultants and engineers available for hire, along with providing training and advice on a variety of occupational safety issues. The On-site Safety and Health Consultation Program helps Missouri employers comply with federal OSHA requirements. Both programs provide similar, complementary services. Combining the two programs should provide certain efficiencies within the department. Businesses would benefit



by having more services provided by a single agency, eliminating the need to establish relationships with multiple state agencies.

**Implementation:** Department initiative

**Recommendation #60:** Expand the Missouri Highways and Transportation Commission by two positions.

**Justification:** The Missouri Highways and Transportation Commission is a six-member, nonpartisan board that guides the Missouri Department of Transportation. Expanding the Commission by two commissioners would provide better statewide representation on the Commission. Appointees to the Commission would not be assigned a specific geographic area of representation because transportation decisions should be made on a statewide, rather than a regional basis. All commissioners would continue to serve six-year, staggered terms.

**Implementation:** Statutory changes will be required.

**Recommendation #61:** The Missouri Department of Transportation should explore ways to contract with county road departments or private contractors for the maintenance of certain state highways that are primarily used as local or county roads or the Department of Transportation may designate counties or groups of counties that would be large enough to form an economic unit sufficient in size to attract private contractors to bid on all the Department of Transportation's work in this unit.

**Justification:** A large percentage of roads in the state system are low volume roads and serve more as local rather than statewide roadways,

but the Department of Transportation must provide crews for the maintenance of these roads. When it is more cost-effective and efficient for the Department of Transportation to contract with local (county) road crews to maintain a portion of the low volume state roads located in their area, the Department of Transportation should do so. Contracting with local entities for these responsibilities will allow the Department of Transportation to focus staff time on the higher volume roadways.

**Implementation:** Highway Commission initiative.

**Recommendation #62:** Encourage objective, performance-based, results-driven service delivery systems in state government, similar to the Missouri Department of Transportation's "Tracker" system.

**Justification:** Performance measurement systems such as the Department of Transportation's "Tracker" system help state agencies, the Governor, and the General Assembly allocate resources based on performance, rather than historical funding levels. Departments are held accountable for results, and, using the data collected through a performance measurement system, the departments identify areas that need improvement, along with successful service delivery systems. Focusing on performance rather than methods or established funding streams allows departments to be more responsive in adapting services to meet the changing needs of Missouri citizens and businesses.

**Implementation:** Executive Order will be required.

# CHAPTER 7.

## Recommendations Related to Elementary and Secondary Education and Higher Education

**Recommendation #63:** Create a cabinet level Secretary of Higher Education who would be appointed by the Governor. This position would replace the current Commissioner of Higher Education.

**Justification:** Currently, the Commissioner of Higher Education is appointed by the Coordinating Board for Higher Education. Changing this to a gubernatorial appointment of a cabinet level Secretary of Higher Education would strengthen this leadership position and increase the Governor's ownership of and accountability for the outcomes of higher education in Missouri. The Secretary of Higher Education would have authority to recommend to the Governor an annual budget for the Department of Higher Education including the level of state appropriations to all public institutions of higher education in Missouri.

**Implementation:** Statutory changes will be required.

**Recommendation #64:** Create a cabinet level Secretary of Elementary and Secondary Education who would be appointed by the Governor. This position would replace the current Commissioner of Elementary and Secondary Education.

**Justification:** Currently, the Commissioner of Elementary and Secondary Education is appointed by the State Board of Education.



*Theodore C. Beckett, former President of the Board of Curators of the University of Missouri System testifies before the Commission at a public hearing in Kansas City. Also shown are Florence Roland, Samuel U. Rodgers Community Health Center (left) and Patricia P. Brodsky, University of Missouri-Kansas City.*

Changing this to a gubernatorial appointment of a cabinet level Secretary of Elementary and Secondary Education would strengthen this leadership position and increase the Governor's ownership of and accountability for the outcomes of elementary and secondary education in Missouri. The Secretary of Elementary and Secondary Education would have authority to recommend to the Governor an annual budget for the Department of Elementary and Secondary Education including the level of state appropriations to Missouri's public elementary and secondary education institutions.

**Implementation:** Constitutional and statutory changes will be required.

**Recommendation #65:** Change the makeup of the nine-member Coordinating Board for Higher Education to consist of the following members:

- The University of Missouri System President;
- One chancellor from a campus of the University of Missouri System;
- Two presidents from the other public four-year colleges and universities;
- Two presidents from Missouri's public community colleges;
- One president from Missouri's independent colleges and universities; and
- Two lay citizens.

No more than two members of the Coordinating Board for Higher Education shall reside in any single congressional district. The Secretary of Higher Education would be an ex-officio member of the Coordinating Board for Higher Education.

**Justification:** Currently, the Coordinating Board for Higher Education is comprised entirely of lay citizens. While having the input of lay citizens is important to the governance of higher education in Missouri, it is also important that the front line leaders of the state's higher education institutions have a stronger voice in higher education governance. Including representatives from the various higher education sectors on the Coordinating Board for Higher Education will strengthen this important regulatory board and bring more cohesiveness and accountability to higher education in the state.

**Implementation:** Statutory changes will be required.

**Recommendation #66:** The Curators of the University of Missouri System should explore ways in which the University of Missouri System can become more responsive to individual campuses within the system.

**Justification:** Improved responsiveness by the University of Missouri System to the individual campuses within the system will enhance communication and the exchange of ideas between the individual campuses and the University of Missouri System resulting in stronger campuses and a strengthened University of Missouri System.

**Implementation:** University initiative

**Recommendation #67:** The Curators of the University of Missouri should reaffirm its support of the efforts of private support organizations for each campus and encourage them to do independent fund raising to support the endowment and initiatives of the local campuses they support.

**Justification:** Community support for the four campuses in the University of Missouri System is critical in order to continue to strengthen these institutions. Local support groups currently exist for each of the four campuses and these groups should be encouraged to the greatest extent possible in their fund raising efforts on behalf of their local institutions. Local financial support for these institutions has become even more critical given the limited state resources available for higher education. Donors in these communities need to have local institutions that they can contribute to so as to increase their confidence that their contributions will be used to support their local campus and its mission in their community, and thus increase private giving overall to the system.

**Implementation:** University initiative

**Recommendation #68:** Transfer responsibility for certifying election results for proposed new community college taxing districts from the Coordinating Board for Higher Education to the Secretary of State.

**Justification:** The Secretary of State currently administers all statewide elections for both candidates and issues and has significant expertise in preparing ballots and in canvassing, certifying, and publishing election results. The Secretary of State also assists the 116 local election authorities in interpreting and administering state election laws. In contrast, the Coordinating Board for Higher Education has very little expertise in certifying elections, with the infrequent

certification of community college taxing district elections being their only elections-related responsibility. Transferring responsibility for certifying new community college taxing district election results from the Coordinating Board for Higher Education to the Secretary of State will ensure the accuracy of the certified election results and increase the efficiency with which they are administered. Because new community college taxing districts are proposed very infrequently, the Secretary of State should be able to assume the responsibility for certifying these elections within their current budget.

**Implementation:** Statutory changes will be required.

**Recommendation #69:** Transfer the State Anatomical Board from the Department of Higher Education to the Department of Financial Regulation and Professional Registration.

**Justification:** The State Anatomical Board, which is responsible for the disposal and delivery of dead human bodies to and among educational institutions where human anatomy is investigated or taught, does not bear any direct relationship to the mission of the Department of Higher Education, which is to deliver an affordable, quality, coordinated postsecondary education system and increase successful participation, benefiting all Missourians. Because the State Anatomical Board is a regulatory body, it should be transferred to the Department of Financial Regulation and Professional Registration. This newly recommended department will have expertise in regulatory matters and will be able to effectively and efficiently administer the State Anatomical Board.

**Implementation:** Statutory changes will be required.

**Recommendation #70:** Transfer to Vocational Rehabilitation in the Department of Elementary and Secondary Education these entities: Rehabilitation Services for the Blind in the Department of Social Services, Head Injury programs in the Department of Health and Senior Services, and the Governor's Council on Disabilities in the Office of Administration.

**Justification:** Rehabilitation Services for the Blind, the state's Head Injury programs, and the Governor's Council on Disabilities all provide rehabilitative services to Missourians with disabilities. Consolidating these programs under the Division of Vocational Rehabilitation will increase the efficiency and effectiveness of rehabilitative services to individuals with disabilities through better coordination of services and the elimination of unnecessarily duplicative programs.

Having all four agencies in the same department will allow these agencies to draw upon the expertise of each other. In addition, by combining these agencies the state will be able to eliminate the Statewide Advisory Council, a rehabilitative services advisory group that meets quarterly.

**Implementation:** Statutory changes will be required.

**Recommendation #71:** Transfer the Missouri State Committee of Interpreters from the Division of Professional Registration within the Department of Economic Development to the Missouri Commission for the Deaf and Hard of Hearing within the Department of Elementary and Secondary Education. Have the Missouri Commission for the Deaf and Hard of Hearing evaluate the need for licensing of interpreters in Missouri.

**Justification:** The Missouri Commission for the Deaf and Hard of Hearing is responsible for advocating public policies, regulations, and programs to improve the quality and coordination of existing services for deaf persons. As part of this charge, the Missouri Commission for the Deaf and Hard of Hearing is responsible for developing a system of state certification for interpreters for the deaf and maintaining the quality of those interpreting services. The Missouri State Committee of Interpreters is responsible for licensing and regulating interpreters in Missouri. By transferring the Missouri State Committee of Interpreters to the Missouri Commission for the Deaf and Hard of Hearing, the certification and licensing of interpreters will be housed in one agency resulting in a more efficient and effective system of certification and licensing where interpreters will have only one regulatory agency and annual renewals of certifications and licenses can be done simultaneously.

The Missouri Commission for the Deaf and Hard of Hearing should also evaluate the need for the

continued licensing of interpreters in Missouri given the fact that they are already being certified. Missouri was the first state in the country to require both licensing and certification of interpreters and the licensing requirement is extremely rare. The Missouri Commission for the Deaf and Hard of Hearing should evaluate the possibility of eliminating the licensing requirement and requiring only certification and annual recertification of interpreters for the deaf.

**Implementation:** Statutory changes will be required.



*Jack Magruder, former President of Truman State University, speaks at the Commission public hearing in Kirksville.*

**Recommendation #72:** The Department of Elementary and Secondary Education should examine best practices around the country for improving the delivery of services for severely handicapped children.

**Justification:** Missouri is the only state that has a state administered day program for students with significant disabilities. Most other states serve these students through locally controlled regionalized services. Currently, approximately 60 local school districts

in Missouri choose to serve nearly 300 students with severe disabilities while approximately 1,000 students with similar disabilities are served by the state operated State Schools for the Severely Handicapped. The State Schools for the Severely Handicapped used to serve over 3,000 students and have excess capacity. The Department of Elementary and Secondary Education should examine best practices around the country to ensure that Missouri is providing services to its severely handicapped students in a manner that is most beneficial to the students and their families and which makes maximum use of the state's resources.

**Implementation:** Department initiative





## CHAPTER 8.

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### Recommendations Related to Corrections and Public Safety

**Recommendation #73:** The Director of the Department of Public Safety, in consultation with the Governor, should appoint Department of Public Safety division directors for divisions that are not overseen by a Governor-appointed commission, including the Superintendent of the Missouri Highway Patrol, the State Fire Marshall, the Commissioner of the Missouri Water Patrol, and the Supervisor of Liquor Control. The Adjutant General of the Missouri National Guard should continue to be appointed directly by the Governor.

**Justification:** Under existing statute, some division directors in the Department of Public Safety are appointed directly by the Governor, not by the department director. This is unusual in state government and encourages these division heads to operate relatively independently of the director. In order to strengthen the office of the Director of Public Safety and to improve the director's ability to coordinate homeland security and other vital public safety missions, the Missouri State Government Review Commission recommends this consolidation and reporting under the Director of the Department of Public Safety.

**Implementation:** Statutory changes will be required.

**Recommendation #74:** The Director of the Department of Public Safety should be an ex-officio, non-voting member on the Missouri Gaming Commission.

**Justification:** The Missouri State Government Review Commission recognizes that some governmental entities require a certain level of independence to ensure proper and appropriate operations. While it is important that these commissions maintain the independence granted them by the Missouri General Assembly, there also must be a minimal level of integration of these divisions into the overall departmental structure. To ensure a structural and continual open line of communication, the Missouri State Government Review Commission recommends making the Director of the Department of Public Safety an ex-officio, non-voting member on the Missouri Gaming Commission.

**Implementation:** Statutory changes will be required.

**Recommendation #75:** The Department of Public Safety should assume the leadership position and responsibility for creating and overseeing a statewide emergency communications system.

**Justification:** Disasters and other emergency situations require quick and effective com-

munications between responders in the delivery of relief services. Unfortunately, the technological range of modern communications is diminished by an inability to integrate systems used at the federal, state, and local levels. Creation and maintenance of a statewide emergency communications system that can “fill the gaps” created by current systems will require the dedication of centralized leadership. As the state’s main safety agency, the Department of Public Safety should assume that role.

**Implementation:** Department Initiative

**Recommendation #76:** The duty of processing applicants for the Disassociated Persons Program should be transferred from the Missouri Highway Patrol to the Missouri Gaming Commission.

**Justification:** By agreement, the Missouri Highway Patrol serves as the law enforcement arm of the Missouri Gaming Commission. The division of labor between the two organizations should emphasize the respective missions of the two parties: The Missouri Highway Patrol should perform law enforcement related duties, while the Missouri Gaming Commission should perform regulatory and administrative duties. Currently, the Missouri Highway Patrol performs the registration duties for the Disassociated Persons Program, a program that allows problem gamblers to self-identify themselves for conditional exile from Missouri gaming establishments. This duty is more regulatory and administrative than it is law enforcement and, therefore, is more properly a part of the Missouri Gaming Commission’s responsibility. In addition, this duty consumes resources of the Highway Patrol. The resources to perform this duty should be provided by those regulated by the Commission.

**Implementation:** Department Initiative

**Recommendation #77:** The Department of Corrections should examine options for privatization of offender services.

**Justification:** It is the recommendation of the Missouri State Government Review Commission that the Missouri Department of Corrections examine duplicating the success of its medical services privatization in other areas as possible. Potential actions might include the whole or partial privatization of services or expanding the scope of current contracts. Correctional services that could benefit from such an examination might include:

- The production and distribution of offender meals;

- The management of institutional offender “canteens” where offenders purchase personal supplies;
- Education services;
- Community offender services including electronic monitoring, education, treatment, and training; and
- The collection of court ordered financial obligations from offenders.

**Implementation:** Department Initiative

**Recommendation #78:** The Missouri State Emergency Management Agency should be the lead agency in the preparation of emergency response information.

**Justification:** Currently, Emergency Preparedness Guides are published by both the Missouri State Emergency Management Agency and the Department of Health and Senior Services. As the state’s primary emergency response agency, the Missouri State Emergency Management Agency should assume leadership in the production of an Emergency Preparedness Guide and should act in consultation with the Missouri Department of Health and Senior Services to ensure that there is no duplication of effort.

**Implementation:** Department Initiative

**Recommendation #79:** The Division of Fire Safety and the Missouri State Emergency Management Agency should coordinate efforts in the area of hazardous materials training.

**Justification:** Hazardous materials training is carried out by both the Missouri State Emergency Management Agency and the Division of Fire Safety. The two entities should retain their separate training processes but should coordinate their efforts and explore potential future efficiencies.

**Implementation:** Department Initiative

**Recommendation #80:** The Department of Public Safety should plan future expansions of evidence control facilities to include integration of evidentiary functions between the Missouri State Highway Patrol and the Missouri State Water Patrol.

**Justification:** Currently, these two divisions operate separate evidence control and storage systems. The Highway Patrol’s storage is currently at capacity. Future efforts toward relieving storage capacity issues should consider mechanisms to integrate the evidence control efforts of the two patrols.

**Implementation:** Department Initiative

**Recommendation #81:** The Missouri Automated Road Report Telephone System should be transferred

from the Missouri Highway Patrol to the Missouri Department of Transportation.

**Justification:** Currently, the Missouri State Highway Patrol and the Missouri Department of Transportation are both distributing public information regarding road conditions during periods of inclement weather. The Missouri State Highway Patrol makes such information available through its Missouri Automated Road Report Telephone System, while the Missouri Department of Transportation provides its information through their website. The information gathered for these two separate distribution mechanisms comes from different sources and conflict at times.

The Missouri State Government Review Commission recommends that all road condition reporting, both phone and web based, be consolidated at the Missouri Department of Transportation and that phone-based reports be included in its service delivery to the motoring public during bad weather or other disruption causing events such as road construction. This change of responsibility will ensure that consistent and accurate information is provided through the internet and the telephone.

**Implementation:** Department Initiative

**Recommendation #82:** The Crime Victims' Compensation Fund should be moved from the Missouri Department of Labor and Industrial Relations and instead be operated by the Missouri Victims of Crime Office in the Missouri Department of Public Safety.

**Justification:** Currently, services for crime victims at a statewide level are somewhat dispersed. The Crime Victims' Compensation Fund is housed within the Missouri Department of Labor and Industrial Relations and provides awards to qualifying victims who have suffered physical or psychological injury as the result of violent crime. Meanwhile, crime victim services are also housed under the Missouri Department of Public Safety within the Missouri Office for Victims of Crime (MOVOC). Domiciling the Crime Victims' Compensation Fund within the Missouri Department of Labor and Industrial Relations is not

congruent with the mission of the department. In contrast, the mission of the Missouri Department of Public Safety is to "enhance the safety and security of Missouri citizens..." Consequently, the Crime Victims Compensation Fund should be moved from the Department of Labor and Industrial Relations and integrated into the Missouri Office for Victims of Crime in the Department of Public Safety.



*State Representatives Melba Curls (left) and Beth Low testify before the Commission in Kansas City.*

**Implementation:**

Statutory changes will be required.

**Recommendation #83:**

Transfer the administration of the Domestic Violence Shelter Tax Credit from the Department of Public Safety to the Department of Social Services.

**Justification:** Under current law, oversight and administration of the Domestic

Violence Shelter tax credit are assigned to the Missouri Department of Public Safety. The Missouri Department of Public Safety's mission is to promote public safety, not the administration of social service tax credits. Recipients of the benefits of this program are most likely to be in contact with the Department of Social Services. Consequently, that department is in a much better position to coordinate this program. For that reason, the administration of this program should be moved to the Department of Social Services.

**Implementation:** Statutory changes will be required.

**Recommendation #84:** The State Emergency Management Agency should report directly to the Director of the Department of Public Safety.

**Justification:** Under the current organizational structure of the Missouri Department of Public Safety, the Missouri State Emergency Management Agency reports to the Adjutant General. Due to the necessity for rapid and effective organizational response in time of crisis, the State Emergency Management Agency should report directly to the Director of the Department of Public Safety to improve coordination of public safety responders.

**Implementation:** Statutory changes will be required.

## EXECUTIVE ORDER 05-05

### 2005 Missouri State Government Review Commission

January 24, 2005

**W**HEREAS, the people of the state of Missouri are entitled to be served by an efficient, competent, responsive and effective state government; and

**W**HEREAS, the organization of Missouri's state government has not been completely reexamined from top-to-bottom in over three decades; and

**W**HEREAS, technological advancements and innovation in the last three decades have provided tools that can significantly enhance state government's efficiency and effectiveness for all Missourians if those tools are carefully examined and properly utilized; and

**W**HEREAS, structural changes and consolidation within state government may provide for cost savings, increased efficiency and better service for the citizens of Missouri.

**N**OW, THEREFORE, I, MATT BLUNT, GOVERNOR OF THE STATE OF MISSOURI, by virtue of the powers in me vested by the Constitution and Laws of the State of Missouri, do hereby create and establish the 2005 Missouri State Government Review Commission.

**I** hereby charge the 2005 Missouri State Government Review Commission with the task of reviewing every Executive Department within our state government to identify opportunities to restructure, retool, reduce, consolidate, or eliminate state government functions in accordance with what will result in the best and most cost-effective service for Missouri citizens.

**T**he Commission shall evaluate the current structure and functions of Missouri state government and report on the following items:

1. Whether the current structure of each Executive Department lends itself to the provision of effective service to the citizens of Missouri;
2. What each Executive Department could do better to more efficiently and effectively fulfill its mission;
3. What tools are available today that would allow the Executive Departments to realize cost savings, increased efficiencies and better service for the citizens of Missouri; and
4. Whether there are any opportunities to consolidate functions and reduce duplicative tasks on an inter-departmental basis.

**T**he Commission shall include in its report, recommendations for how inefficiencies should be addressed, costs cut, services improved, functions consolidated and duplicity reduced. The Commission shall also make suggestions for the elimination of outdated or burdensome regulations that impede the ability of the Executive Departments to be as efficient and effective as possible.

**T**he Commission shall consist of twenty (20) individuals appointed by the Governor. The Governor shall designate two (2) of the members to act as Co-Chairs of the Commission. All members of the Commission shall serve at the pleasure of the Governor.

**M**embers of the Commission shall receive no compensation for their service to the people of Missouri, but may seek reimbursement of their reasonable and necessary expenses incurred as members of the Commission, in accordance with the rules and regulations of the Office of Administration.



**T**he Commission is assigned for administrative purposes to the Office of Administration. The Commissioner of the Office of Administration or his designee shall be available to assist the Commission as necessary, and shall provide the Commission with any staff assistance the Commission may require from time to time. All Departments in the Executive Branch of Missouri state government are directed to cooperate with the Commission, and shall provide such assistance to the Commission as it shall request.

**T**he Board of Curators of the University of Missouri shall act as fiscal agent for the Commission. Through the Board of Curators of the University of Missouri, and consistent with procedures established by them, the Commission may accept gifts and donations of resources, which shall be devoted, solely to the purposes of the Commission, and expended only with Commission approval. Through the Board of Curators of the University of Missouri, the Commission is authorized to enter into contracts with public or private entities for the purpose of receiving federal and private funds which may be spent for the Commission's purposes as outlined herein.

**T**he 2005 Missouri State Government Review Commission shall meet at the call of its Chairs, and the Chairs shall call a meeting as soon as possible. The Commission shall produce a plan outlining the steps it intends to take to implement its charge outlined herein and submit that to me within 60 days of its first meeting. The Commission shall issue its report and recommendations as soon as practicable, but in no case later than one year from the creation of the Commission unless otherwise agreed to by me.

**I**N WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, on this 24h day of January, 2005.

Matt Blunt  
GOVERNOR

# ADDENDUM OF OPINIONS NOT VOTED ON BY A MAJORITY OF THE COMMISSION

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Both Task Forces B and F of the Commission, during the course of their separate deliberations, recommended a transfer of all motor vehicle and drivers' license functions from the Department of Revenue to the Department of Public Safety.

Research shows that this has been done in a number of other states. The recommendations were based on a recognition that these functions logically "fit" into the Department of Public Safety. After all, the public's ultimate safety is at the root of all DWI/DUI laws, driver exams, eyesight exams, CDL exams, suspended license laws, individual driver traffic records, motor vehicle inspections, mandatory insurance laws and enforcement programs, just to name a few responsibilities of the Motor Vehicle/Drivers License Division.

The Task Forces also discussed that the primary responsibility to collect motor vehicle related taxes and fees should remain with the Department of Revenue, since the DOR is the proper agency to collect such fees and taxes. This approach is consistent with the full Commission's recommendation to transfer the Department of Insurance surplus lines tax responsibilities to the Department of Revenue.

During the course of the deliberations of this recommendation by the full Commission, a misunderstanding developed which suggested that the certain funds for Department of Revenue operations derived from the recent Constitutional Amendment 3 might be jeopardized with this change. Primarily as a result of this point, the recommendation was tabled. A subsequent legal analysis concluded that Amendment 3 funds would not be jeopardized in any way. To the contrary, implementing this recommendation potentially provides additional funding opportunities within the Department of Public Safety for these particular duties.

Therefore, the undersigned members of the Commission wish to append the following recommendation to the Commission's final report:

**Recommendation:** Reassign all non-tax motor vehicle and drivers' license programs and functions currently from the Department of Revenue to the Department of Public Safety. The responsibility to collect drivers' licenses and motor vehicle-related taxes and fees would remain with the Department of Revenue.

**Justification:** There is an increased focus on the public's safety and welfare with respect to motor vehicle and drivers' licensing laws and public policy in the United States. The Department of Revenue currently enforces laws related to drivers' tests, safety inspections, DWI/DUI record tracking, suspended license laws, speeding laws, speeding ticket tracking, and mandatory insurance. Given the emphasis on public safety, these responsibilities would be appropriately aligned with the Department of Public Safety. Such realignment would permit better coordination with the State Highway Patrol and other law-enforcement officials in the State. Other states have moved toward this alignment.

This proposed reassignment would not affect the tax/fee collection functions (e.g., motor fuel taxes, vehicle sales taxes and license fees). These tax and fee collection responsibilities would appropriately remain at the Department of Revenue. Legal research suggests that it may also be possible that some of the transferred functions could become eligible for funds under Article IV, Section 30 of the Missouri Constitution as part of the State Highway Patrol responsibilities for enforcement of state motor vehicle laws.

**Implementation:** Statutory changes will be required.

Respectfully submitted,

*John Fox Arnold  
Cynthia Brinkley  
Cathy Dean  
Warren Erdman  
Lt. Gov. Peter Kinder*

*Charles McClain  
Rob O'Brian  
Kathy Osborn  
CiCi Rojas*

*Gary Rust  
Paul Steele  
Ray Wagner  
Dalton Wright*



This report is available on the web at  
<http://review.mo.gov>.